

Resolution No.: 17-311
Introduced: October 25, 2011
Adopted: November 29, 2011

**COUNTY COUNCIL
FOR MONTGOMERY COUNTY, MARYLAND**

By: Council President at the Request of the County Executive

SUBJECT: Supplemental Appropriation #12-327 to the FY12 Operating Budget Montgomery County Government
Department of Economic Development
Montgomery County Biotechnology Investment Incentive Tax Credit Supplement (Biotech Credit Supplement Program)

Background

1. Section 307 of the Montgomery County Charter provides that any supplemental appropriation shall be recommended by the County Executive who shall specify the source of funds to finance it. The Council shall hold a public hearing on each proposed supplemental appropriation after at least one week's notice. A supplemental appropriation that would comply with, avail the County of, or put into effect a grant or a Federal, State or County law or regulation, or one that is approved after January 1 of any fiscal year, requires an affirmative vote of five Council members. A supplemental appropriation for any other purpose that is approved before January 1 of any fiscal year requires an affirmative vote of six Council members. The Council may, in a single action, approve more than one supplemental appropriation. The Executive may disapprove or reduce a supplemental appropriation, and the Council may re-approve the appropriation, as if it were an item in the annual budget.
2. The County Executive has requested the following FY12 Operating Budget appropriation increases for the Economic Development Fund:

<u>Personnel Services</u>	<u>Operating Expenses</u>	<u>Capital Outlay</u>	<u>Total</u>	<u>Source of Funds</u>
\$0	\$500,000	\$0	\$500,000	General Fund- Undesignated Reserves

3. This increase is needed because the Montgomery County Bill 5-10 authorizes the County to supplement the State Biotechnology Investment Tax Credit, allowed under Maryland Code, Tax-General Article #10-725. The Biotech Credit Supplement Program will be operated as a sub-program under the current Economic Development Fund. The County supplement, which is a direct subsidy rather than a tax credit, would be up to 50% of the state tax credit for an investment in a qualified Montgomery County biotechnology company. The Program, along with other Economic Development Fund programs, continues to support the County's mission of stimulating investment activities in the biotechnology industry, and promotes the local biotech companies to retain and create new jobs in the County.
4. The County Executive recommends a supplemental appropriation to the FY12 Operating Budget of Economic Development Fund in the amount of \$500,000 for the newly created Biotech Credit Supplement Program and the source of funds will be General Fund-Undesignated Reserves.
5. Notice of public hearing was given, and a public hearing was held November 15, 2011.

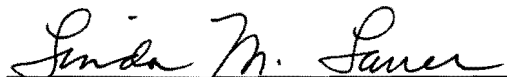
Action

The County Council for Montgomery County, Maryland, approves the following action:

A supplemental appropriation to the FY12 Operating Budget of the Economic Development Fund is approved as follows:

<u>Personnel Services</u>	<u>Operating Expenses</u>	<u>Capital Outlay</u>	<u>Total</u>	<u>Source of Funds</u>
\$0	\$500,000	\$0	\$500,000	General Fund- Undesignated Reserves

This is a correct copy of Council action.


 Linda M. Lauer, Clerk of the Council